

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 802 - SB 952

April 3, 2023

SUMMARY OF BILL AS AMENDED (007102): Exempts certain persons from the requirement to provide notice of intent to excavate or demolish. Authorizes a person responsible for excavation or demolition to designate the location of a proposed excavation or demolition by marking the area with electronic white lining. Authorizes the state's one-call service to collect data concerning notice issues and recommend alternatives to the Underground Utility Damage Enforcement Board (Board) that would alleviate the number of repeated additional notices required on excavation projects.

FISCAL IMPACT OF BILL AS AMENDED:

NOT SIGNIFICANT

Assumptions for the bill as amended:

- Pursuant to Tenn. Code Ann. § 65-31-106, before beginning an excavation or demolition operation, each person responsible for such operation shall serve written, telephonic, or e-mail notice of intent to excavate or demolish and shall designate the location of a proposed excavation or demolition by marking the area with safety white color-coded stakes or white paint.
- After receiving the notice, the state's one-call service, Tennessee 811, notifies the utility companies that service the area and such utilities have three business days to mark the underground utility lines at the site.
- The proposed legislation would exempt the following from the notice requirement:
 - A property owner utilizing non-mechanized tools or equipment on their own property; or
 - Use of non-mechanized tools or equipment by or on behalf of a utility owner or operator to a depth not greater than 12 inches for locating, repairing, connecting, protecting, or routine maintenance of the member operator's underground facilities.
- There is no charge for providing notice of intent to excavate or demolish; therefore, exempting such entities from the notice requirement will have no significant impact on the expenditures of state or locally owned utilities.
- It is not expected that the exemption would result in a significant decrease in the number of notifications state or locally-owned utilities receive or in the number of sites such utilities are required to mark.

HB 802 - SB 952

- The proposed legislation would authorize an entity responsible for the excavation or demolition to mark the proposed area with electronic white lining, in addition to using safety white color-coded stakes or white paint.
- It is assumed that only state or local entities that possess the necessary technology would elect to utilize electronic white lining; all others would continue to use the marking standards already provided in statute. Any fiscal impact to state or local government is estimated to be not significant.
- The Board is housed within the Tennessee Public Utility Commission; the proposed legislation will have no significant fiscal impact on the commission.

IMPACT TO COMMERCE OF BILL AS AMENDED:

NOT SIGNIFICANT

Assumptions for the bill as amended:

- Exempting property owners and utility owners from the notice requirement will have no significant impact on business expenditures, nor is such exemption expected to result in a decrease of responsibilities for public utilities.
- It is assumed that only persons or public utilities that possess the necessary technology would elect to utilize electronic white lining; all others would continue to use the marking standards already provided in statute. Any impact to business expenditures is estimated to be not significant.
- Tennessee 811 is a nonprofit which provides the state's one-call notification system that alerts utilities of the notices it receives of intent to excavate or demolish.
- It is assumed that Tennessee 811 would collect data concerning notice issues and make recommendations to the Board utilizing existing staff and resources, resulting in no significant impact to business expenditures.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista Lee Carsner, Executive Director

/mp